

C/007/018 Incoming ✓ JPB
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Coal



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:
3487 / (UT-9223)
UTU-73340
UTU-07064-027821

JUN 14 2013

RECEIVED
JUN 19 2013
DIV. OF OIL, GAS & MINING

CERTIFIED MAIL -7012 3460 0001 4633 8978
Return Receipt Requested

DECISION

Canyon Fuel Company LLC	:	LMU:
c/o Ark Land Company	:	UTU-73340
City Place One, Suite 300	:	Coal Lease:
St. Louis, Missouri 63141	:	UTU-07064-027821

Soldier Creek Logical Mining Unit Modification 2 Approved

The Soldier Creek Logical Mining Unit (LMU) was approved effective March 1, 1996. The Soldier Creek LMU met diligence in January 1997. The first continued operation year (COY) began February 1, 1997. The LMU has been and remains in a producing status. The intent of this decision is to formally approve this modification.

On June 25, 2009, and on July 21 2010, Federal coal lease UTU-07064-027821 was modified to include additional lands. On June 14, 2011, Canyon Fuel Company L.L.C. filed for a partial lease relinquishment for Federal coal lease UTU-07064-027821. This request was amended on February 23, 2012, and approved by the Bureau of Land Management (BLM) on March 12, 2012. As part of the partial lease relinquishment modification on February 23, 2012, Canyon Fuel Company L.L.C. also applied to have the remaining modified lands included in the Soldier Creek LMU. This will be Modification 2 to the LMU. Modification 2, adds lands, consisting of 465.01 acres, contained in the modification of Federal coal lease UTU-07064-027821. The Public Notice of Availability was published in the Sun Advocate on March 12 and 19, 2013.

The BLM has determined that this proposed modification is in conformance with the approval criteria as per 43 CFR 3487. Therefore, this modification to the Soldier Creek LMU is approved effective February 23, 2012. The Soldier Creek LMU, as modified, currently contains 15,482.50 acres and 30,435,584 tons of recoverable reserves as outlined in the following table:

Action	Date	LMU Acreage	Recoverable reserve Base (tons)
Letter Modifying LMU Adjusting the LMU Recoverable reserve Base and acreages	03/06/2007	15,017.49	61,941,000 ¹
R2P2 Change	05/13/2009	15,017.49	36,150,617 ²
R2P2 Change	06/08/2011	15,017.49	36,123,818 ³
R2P2 Change 3 lease mods and Partial Relinquishments	08/26/2011	15,017.49	30,164,744 ⁴
R2P2 Change	01/26/2012	15,017.49	30,183,784 ⁵
R2P2 Change	02/16/2012	15,017.49	30,435,584 ⁶
LMU Modification 2 effective 02/23/2012, R2P2 change 08/26/2011(see above)	02/23/2012	15,482.50 ⁷	30,435,584

Footnotes

1. Letter dated 03/06/2007 revising the Soldier Creek LMU with numerous changes.
2. R2P2 change dated 05/13/2009 deleting 25, 790,186 of recoverable reserves.
3. R2P2 change delivered 06/08/2011 deleting 26, 799 tons of recoverable reserves.
4. R2P2 change dated 08/26/2011 deleting 5,959,074 tons of recoverable reserves. This R2P2 covered the reserves included in this LMU modification and it also deleted reserves in other portions of the LMU. The lands were removed from the lease by modification but they were not removed from the LMU at this time.
5. R2P2 change dated 01/26/2012 adding 19,040 tons of recoverable reserves.
6. R2P3 change dated 02/16/2012 adding 251,800 tons of recoverable reserves.
7. LMU Modification 2 effective 02/ 23/ 2012 adding 465.01 acres

For COY 17 (February 1, 2013 – January 31, 2014) commercial quantities of coal of 304,356 tons must be mined from the LMU in order to meet the continued operation requirement.

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4, and the enclosed Form 1842.1. If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

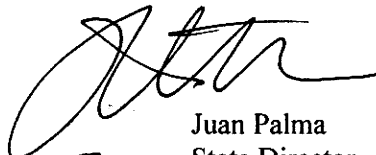
If you wish to file a petition (pursuant to regulation 43 CFR 4.21)(58 FR 4939, January 19, 1993) (request) for a stay (suspension) of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay **must** also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed in this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- (1) The relative harm to the parties if the stay is granted or denied,
- (2) The likelihood of the appellant's success on the merits,
- (3) The likelihood of immediate and irreparable harm if the stay is not granted, and
- (4) Whether the public interest favors granting the stay.

If you have further questions please contact Mr. Stan Perkes of my staff at (801) 539-4036.



For Juan Palma
State Director

Enclosure:

1. Form 1842-1

cc: Resource Development Coordinating Committee, ATTN: Mineral Leasing Taskforce,
116 State Capital Building, Salt Lake City, Utah 84114

Mr. John Baza, Director, UDOGM, Box 145801, Salt Lake City, Utah 84114-5801

Price Coal Office (UTG021)

ONRR, ACM, Solid Minerals Staff, Attn: LeeAnn Martin, MS62300B, Box 25165,
Denver, Colorado 80225-0165